

Industry Circular



Internal Revenue Service

Alcohol, Tobacco and Firearms Division
Washington, D.C. 20224

March 9, 1971

Industry Circular No. 71-3

WITHDRAWAL OF LIQUORS FOR USE ON AIRCRAFT; RECIPROCATING COUNTRIES

Proprietors of distilled spirits plants,
bonded wine cellars, breweries,
and others concerned:

Purpose. This circular is issued to inform you of the provisions of a revenue procedure which will be published in an early issue of the Internal Revenue Bulletin. The revenue procedure will announce that with respect to ground equipment, Jamaica now allows privileges to aircraft registered in the United States and engaged in foreign trade substantially reciprocal to those provided for by section 309 of the Tariff Act of 1930, as amended.

Background. Under the provisions of the above-cited section of the Tariff Act, the privilege of withdrawing liquors free of tax or with benefit of drawback for use as supplies (including equipment), maintenance, or repair, of aircraft registered in a foreign country is extended to aircraft registered in a foreign country only if the Department of the Treasury is advised by the Department of Commerce that such foreign country allows, or will allow, substantially reciprocal privileges to aircraft registered in the United States. The Department of Commerce has advised the Department of the Treasury that Jamaica now allows exemption from tax on ground equipment brought in for aircraft of United States registry engaged in foreign trade. Therefore, effective October 8, 1970, ground equipment may be withdrawn under section 309(a)(3) of the Tariff Act of 1930, as amended, for aircraft registered in Jamaica.

Complete List of Foreign Countries. The complete list of foreign countries to which the privileges provided for by section 309 of the Tariff Act of 1930 may be extended is now as follows:

| | | | |
|---------------------|--------------------|-------------|---------------------|
| Argentina | Czechoslovakia | Israel | Portugal* |
| Australia* | Denmark | Italy* | South Africa* |
| Bahamas | Dominican Republic | Jamaica | Spain |
| Belgium | Ecuador | Japan | Sweden |
| Bermuda | El Salvador | Lebanon | Switzerland |
| Brazil | Finland | Mexico | Trinidad and |
| Canada | France* | Netherlands | Tobago |
| Chile | Germany, Federal | Nicaragua | Union of Soviet |
| China, Republic of* | Republic of* | Norway | Socialist Republics |
| Colombia | Greece | Pakistan | United Kingdom* |
| Costa Rica | India | Panama | Venezuela |
| | Ireland | Peru | |

* (except for ground equipment).

Inquiries. Inquiries regarding this circular should refer to its number and be addressed to the office of your Assistant Regional Commissioner (Alcohol, Tobacco and Firearms).

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Alcohol, Tobacco and Firearms Division